

Congresswoman Loretta Sanchez (CA-47) announced that an estimated 1.01 million California families, including many in her district, have taken advantage of the improved American Opportunity Tax Credit (AOTC) for college in 2009, reducing their taxes by an average of \$1,444, according to a just-released Treasury Department analysis. This higher education tax credit, formerly known as the Hope Scholarship tax credit, was expanded and strengthened by this Congress and President Obama in the American Recovery and Reinvestment Act of 2009, increasing it from \$1,800 to \$2,500, and providing it to more families.

“I know how important it is to provide our children with a quality education,” Rep. Sanchez said. “But sending kids to college has gotten more and more expensive. These American Opportunity Tax Credits have already started to help local families give their children with the tools they need to succeed in a 21st century economy.”

The Treasury Department’s report also found that the AOTC tax incentives for higher education nearly doubled in 2009, giving 12.5 million students and their families nationwide tax relief. This includes 4.5 million low income students and families who received the full tax credit that was unavailable before the Recovery Act.